

# HEALTH PLAN OPTIONS

All health plans differ and come with their own set of advantages and disadvantages. To find the health insurance option that best suits your needs and budget, you must compare the various types of plans.

## POINTS OF CONSIDERATION

You will want to take into account these general points of distinction for health insurance plans:

- ◆ If you'll need to have a primary care physician (PCP).
- ◆ If you'll need to get a referral in order to see a specialist or receive other services.
- ◆ If you'll need to submit insurance claims or other paperwork.
- ◆ Whether the health plan will pay for out-of-network care.
- ◆ If you'll need to have medical services pre-authorized.
- ◆ The amount of cost sharing (like deductibles, copays, and coinsurance) you'll have to pay when using your health plan.

## WHAT IS A HEALTH MAINTENANCE ORGANIZATION (HMO) PLAN?

HMO plans have low premiums, deductibles, and fixed copays for doctor visits. Network-only providers are required, and a PCP must be selected for routine exams. A referral from your PCP is needed to see a specialist like an allergist or dermatologist.

HMO plans are cost-effective but may not be suitable if you have specific medical needs.

## WHAT IS A PREFERRED PROVIDER ORGANIZATION (PPO) PLAN?

PPO plans have higher premiums than HMO plans, but you can see specialists and out-of-network providers without a referral. Out-of-network care usually means more copays, but in-network copayments and coinsurance are typically low.

PPO plans are great for more healthcare or flexibility, but premiums may be higher.

## WHAT IS A POINT-OF-SERVICE (POS) PLAN?

A POS plan combines HMO and PPO services, allowing you to choose either whenever you seek healthcare. It may cover out-of-network doctors for a slightly higher premium than an HMO plan. It's beneficial and cost-friendly to see your PCP first for a referral.

A POS plan is a good option for out-of-network care with coordinated routine care by a PCP.

CONTINUE →

# HEALTH PLAN OPTIONS

## WHAT IS A HIGH DEDUCTIBLE HEALTH PLAN (HDHP)?

An HDHP plan, offered as an HMO, PPO, POS, or EPO package, has low premiums and higher upfront payments. It is usually associated with a Health Savings Account (HSA), a tax-advantaged account for qualified medical expenses. One benefit of an HSA is the rollover option for unspent money.

HDHP is preferred by healthy young adults but can be costly for older adults or young families.

## CHOOSING A PLAN

Health insurance rules can be different from state to state. Read the details of each plan before you sign up, so you know what is included and what is not. Plans offered by employers can also have different costs because of certain factors.

When comparing health plans, think about your medical condition, needs, financial situation, flexibility, coverage and convenience.